



General Assembly

February Session, 2010

***Raised Bill No. 5515***

LCO No. 2304

\*02304\_\_\_\_\_GAE\*

Referred to Committee on Government Administration and Elections

Introduced by:  
(GAE)

***AN ACT CONCERNING GOVERNMENT EFFICIENCY THROUGH REGIONALIZATION IN CONNECTICUT.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) As used in sections 1 to 8,  
2 inclusive, of this act:

3 (1) "Household property tax liability" is defined as the sum of the  
4 property tax the household owes on their primary residence, including  
5 that owed to a municipality or a regional council, if such residence is  
6 assessed at less than five hundred thousand dollars, and up to two  
7 motor vehicles if such motor vehicles are assessed at less than ten  
8 thousand dollars each;

9 (2) "Household state income tax liability" is defined as the total state  
10 income taxes owed by all persons residing in the household;

11 (3) "Region" means a governance region established under section 3  
12 of this act;

13 (4) "Regional council" means the council that governs a governance

14 region; and

15 (5) "Transition decrease" means the amount of the decrease in  
16 property tax revenue for a municipality, calculated using the  
17 municipality's equalized mill rate, as defined in section 7-545 of the  
18 general statutes, for the tax year commencing January 1, 2010, that the  
19 municipality is expected to experience due to the implementation of  
20 section 2 of this act, minus the difference between the amount of  
21 funding that the municipality appropriated to its local or regional  
22 board of education for the fiscal year ending June 30, 2010, and the  
23 amount of the grant the municipality received under section 10-262i of  
24 the general statutes, for said fiscal year, and any grants that the local or  
25 regional board of education over which such municipality has  
26 jurisdiction received under title 10 of the general statutes.

27 Sec. 2. (NEW) (*Effective July 1, 2010*) Notwithstanding any provision  
28 of the general statutes, any regulation adopted pursuant to said  
29 statutes and any provision of any special or public act, no person's  
30 household property tax liability shall exceed that person's household  
31 income tax liability. Any person whose household property tax  
32 liability exceeds such person's household state income tax liability may  
33 inform the municipal tax collector, by using a form developed by such  
34 tax collector, that such person's household property tax liability is  
35 greater than permitted pursuant to this section and the tax collector  
36 shall adjust the amount of such person's household property tax  
37 liability to an amount that shall not exceed such person's household  
38 income tax liability.

39 Sec. 3. (NEW) (*Effective from passage*) (a) There are established six  
40 governance regions. Each region shall be comprised of municipalities  
41 that have jurisdiction over boards of education that are members of the  
42 same regional educational service center established under section 10-  
43 66a of the general statutes. Any municipality bordering a municipality  
44 that is in another region may switch to the other region on or before  
45 June 30, 2010, provided no municipality switches more than once.

46 (b) (1) Each region established under subsection (a) of this section  
47 shall be governed by a regional council. Not later than seven days  
48 following the effective date of this section, each chief municipal officer  
49 of each municipality shall appoint a resident of such municipality as a  
50 member to the regional council for such municipality. Any chief  
51 municipal officer of a municipality with a population equal to or  
52 greater than twenty thousand shall appoint an additional member for  
53 each twenty-thousand-person increment of total population. The term  
54 of each such appointed member shall expire January 20, 2011.

55 (2) As part of the state election held in 2010, each municipality shall  
56 elect a resident of such municipality to replace each member appointed  
57 under subdivision (1) of this subsection. Each such person shall  
58 become a member of the regional council on January 20, 2011. Such  
59 members shall be elected biennially for a term of two years.

60 (c) Each regional council, by majority vote of its members, shall  
61 determine the way services provided by the council are delivered and  
62 administered to the municipality the council serves, provided the  
63 council shall be considered government entities and shall be subject to  
64 laws governing state agencies. Notwithstanding any provision of the  
65 general statutes, any regulation adopted pursuant to said statutes or  
66 any special or public act, employees of the council shall receive the  
67 same benefits provided to state employees under provisions contained  
68 in the agreement between the State of Connecticut and the State  
69 Employees Bargaining Agent Coalition (SEBAC) ratified May 8, 2009,  
70 and any successor agreement.

71 Sec. 4. (NEW) (*Effective from passage*) (a) Notwithstanding any  
72 provision of the general statutes, any regulation adopted pursuant to  
73 said statutes and any provision of any special or public act, on and  
74 after July 1, 2010, no municipality shall be required to provide funding  
75 for any local or regional board of education that the municipality has  
76 jurisdiction over. Grants under title 10 of the general statutes, provided  
77 for such local and regional boards of education and municipalities,

78 shall instead go to the regional council that serves such municipality.

79 (b) Each regional council shall provide to each municipality within  
80 its region a minimum budget appropriation as follows:

81 (1) To each local or regional board of education for each such  
82 municipality an appropriation in an amount of per student funding  
83 that the board of education or municipality received in the previous  
84 fiscal year; and

85 (2) To each local or regional board of education for each such  
86 municipality an appropriation that, if increased, shall not vary by more  
87 than five per cent from any increase given to any other such board of  
88 education.

89 (c) Notwithstanding any provision of the general statutes, any  
90 regulation adopted pursuant to said statutes and any provision of any  
91 special or public act, the functions and operations of the regional  
92 educational service center serving the local or regional school boards  
93 under the jurisdiction of municipalities shall cease to exist and the  
94 service center's functions and operations shall be transferred to the  
95 regional council serving such municipalities.

96 (d) Notwithstanding any provision of the general statutes, any  
97 regulation adopted pursuant to said statutes and any provision of any  
98 special or public act, each regional council is permitted to organize the  
99 delivery of education, and functions supporting the delivery of  
100 education, across existing school districts, provided any plan to  
101 organize the delivery of education:

102 (1) Has the consent to the local and regional boards of education  
103 under the jurisdiction of the municipalities in the region;

104 (2) Shall not reduce the level and quality of education delivered to  
105 students; and

106 (3) Shall continue to provide educational services in compliance

107 with state laws.

108 (e) The Department of Education shall assist the regional councils in  
109 implementing the provisions of this section. The department shall  
110 cease operations as of June 30, 2011, with any grant distribution  
111 functions and school construction bond administration being  
112 transferred to the Office of Policy and Management.

113 Sec. 5. (NEW) (*Effective from passage*) (a) Notwithstanding any  
114 provision of the general statutes, any regulation adopted pursuant to  
115 said statutes and any provision of any special or public act, the  
116 Secretary of the Office of Policy and Management shall implement a  
117 transition of services and functions described in subsections (c) and (d)  
118 of this section to the regional councils.

119 (b) (1) Not later than June 1, 2010, the Secretary of the Office of  
120 Policy and Management shall determine each municipality's transition  
121 decrease. If any municipality's decrease calculates as less than zero,  
122 such decrease shall be adjusted to equal zero. Said secretary shall  
123 inform each regional council of any such decrease that is greater than  
124 two per cent for any municipality such council serves.

125 (2) Not later than July 1, 2010, each regional council shall implement  
126 a plan for each municipality it serves that was identified under  
127 subdivision (1) of this subsection as having a transition decrease  
128 greater than two per cent. Such plan shall (A) provide that the council  
129 takes over the provision of municipal services from the municipality,  
130 the cost in the municipality's budget of which is at least as much as the  
131 amount resulting from the loss of revenue calculated as the  
132 municipality's transition decrease, provided the council provides such  
133 services at a level that is at least equal to that previously provided by  
134 the municipality, (B) allow the council to provide a grant to such  
135 municipality that is in an amount that would equal the amount  
136 resulting from the loss of revenue calculated as the transition decrease,  
137 or (C) any combination of the provisions of subparagraphs (A) and (B)  
138 of this subdivision, provided such combination of effects results in a

139 savings to the municipality that would equal the amount resulting  
140 from the loss of revenue calculated as the transition decrease.

141 (c) Any regionally-based functions of the Department of  
142 Transportation and the functions of the following departments and  
143 agencies, except as provided for in subsection (d) of this section, shall  
144 be transferred to the regional councils and implemented in a manner to  
145 serve the council's region:

146 (1) Department of Children and Families;

147 (2) The Connecticut State University System;

148 (3) The Community-Technical Colleges;

149 (4) Department of Economic and Community Development;

150 (5) Department of Mental Health and Addiction Services;

151 (6) The Division of State Police of the Department of Public Safety;

152 (7) Department of Social Services; and

153 (8) The Office of Workforce Competitiveness.

154 (d) Functions concerning policies and rates performed by the  
155 Department of Social Services shall be transferred to the Office of  
156 Policy and Management. Any state statute or regulation providing for  
157 nursing home rate redetermination based on the cost of providing care  
158 shall be in effect and regions shall provide funding at the levels  
159 required by such statutes or regulations. The General Assembly shall  
160 establish similar rate rules for other public services that regional  
161 councils shall adhere to.

162 (e) Each regional council may propose, in accordance with the  
163 provisions of section 11-4a of the general statutes, to the joint standing  
164 committee of the General Assembly having cognizance of matters  
165 relating to government administration, plans to reorganize the

166 delivery of the services transferred under the provisions of subsection  
167 (c) of this section in order to better provide service to people on a  
168 neighborhood and municipality basis. Any such plan, which may be  
169 amended by said committee or the General Assembly, shall be  
170 effective upon approval by the General Assembly.

171 (f) No regional council may provide services pursuant to this section  
172 at a level that is lower than that which is required by statute for  
173 services provided state-wide.

174 Sec. 6. (NEW) (*Effective July 1, 2011*) (a) Notwithstanding any  
175 provision of the general statutes, any regulation adopted pursuant to  
176 said statutes and any provision of any special or public act, in addition  
177 to the diversion of grants from municipalities and local or regional  
178 boards of education to regional councils, as provided for in subsection  
179 (a) of section 4 of this act, the Secretary of the Office of Policy and  
180 Management shall pay any grant for the purpose of regionalizing state  
181 functions that would otherwise go to a municipality to the regional  
182 council that serves such municipality.

183 (b) Each regional council shall distribute money paid to the council  
184 under subsection (a) of this section, subsection (a) of section 4 of this  
185 act, and sections 7 and 8 of this act to municipalities it serves in the  
186 form of grants described in subsection (c) of this section or to  
187 municipalities in accordance with the provisions of subsection (b) of  
188 section 5 of this act.

189 (c) The regional council shall distribute the grants under this  
190 subsection to the municipalities it serves in a manner determined by  
191 the council. Such grants shall be as follows:

192 (1) A base grant that shall be the product of (A) the region's  
193 population, and (B) a dollar amount, as determined by the council.

194 (2) An income modified grant that shall be the product of (A) the  
195 base grant, and (B) the dividend of the per capita income of the state

196 divided by the region's per capita income.

197 (3) A higher education grant that shall be the product of (A) the  
198 number of full-time students, as defined in section 10a-26 of the  
199 general statutes, classified as in-state students under section 10a-29 of  
200 the general statutes, attending colleges and universities under  
201 management of the council, and (B) a dollar amount, as determined by  
202 the council.

203 (4) A health facilities grant that shall be the product of (A) the total  
204 amount appropriated by the General Assembly for Medicaid costs at  
205 the hospitals, nursing homes and other similar facilities, and (B) the  
206 dividend of the (i) Medicaid costs at the hospitals, nursing homes and  
207 other similar facilities located in municipalities served by the regional  
208 council, divided by (ii) state-wide Medicaid costs at the hospitals,  
209 nursing homes and other similar facilities.

210 Sec. 7. (NEW) (*Effective July 1, 2010*) (a) Any regional council may  
211 establish any type of tax, including, but not limited to, a retail sales tax,  
212 a tax on food and beverages, an amusements tax, a hotel tax, payroll  
213 taxes or hospital bed taxes, or a property tax pursuant to section 8 of  
214 this act.

215 (b) Any regional council tax imposed pursuant to this section shall  
216 be in addition to any state tax imposed on the same activity.

217 (c) (1) Any tax imposed by a regional council under the provisions  
218 of this section shall be collected and administered by the Department  
219 of Revenue Services, in the same manner as such taxes are currently  
220 paid, and in accordance with the laws governing such taxes. The  
221 department shall segregate the amount paid that is attributable to any  
222 regional council tax and, commencing on the first day of the calendar  
223 quarter next succeeding the institution of such regional council tax,  
224 remit to the regional council such amount. Thereafter, the department  
225 shall remit quarterly to the regional council any amounts received  
226 attributable to a regional council tax.



227 (2) The department may deduct from the amounts received  
228 attributable to regional council taxes any costs directly associated with  
229 the administration and collection of such taxes by the department.

230 (d) A regional council shall use the revenue generated by any tax  
231 enacted under the provisions of this section to fund grants under  
232 section 6 of this act.

233 Sec. 8 (NEW) (*Effective from passage*) (a) Any regional council may  
234 establish a property tax to be levied on the residents of the  
235 municipalities served by such council. Any such tax imposed pursuant  
236 to this section shall be in addition to any property tax imposed by a  
237 municipality and shall be imposed uniformly on all municipalities  
238 served by the council.

239 (b) Such property tax imposed by the regional council shall be  
240 collected and administered by the municipal tax collectors of the  
241 municipalities served by the council, in the same manner as such taxes  
242 are currently paid, and in accordance with the laws governing such  
243 taxes. The municipal tax collector shall segregate the amount paid that  
244 is attributable to any regional council property tax and, commencing  
245 on the first day of the calendar quarter next succeeding the institution  
246 of such regional council tax, remit to the regional council such amount.  
247 Thereafter, the tax collector shall remit semiannually to the regional  
248 council any amounts received attributable to a regional council tax.

249 (c) A regional council shall use the revenue generated by any tax  
250 enacted under the provisions of this section to fund grants under  
251 section 6 of this act.

252 Sec. 9. (*Effective from passage*) The Secretary of the Office of Policy  
253 and Management shall review the provisions of sections 1 to 8,  
254 inclusive, of this act. Not later than January 1, 2010, said secretary shall  
255 report, in accordance with the provisions of section 11-4a of the general  
256 statutes, to the joint standing committee of the General Assembly  
257 having cognizance of matters relating to government administration,

- 258 recommendations, if any, for legislation required to further regionalize  
259 the functions of state and municipal governments.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2010</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>July 1, 2011</i>	New section
Sec. 7	<i>July 1, 2010</i>	New section
Sec. 8	<i>from passage</i>	New section
Sec. 9	<i>from passage</i>	New section

***Statement of Purpose:***

To provide for the regionalization of state and municipal services.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*